

stocks

International Stock Fund

cash investments

balanced

BONDS

American Funds EuroPacific Growth Fund Class R-5

Who Should Invest

- Investors seeking to further diversify a portfolio of U.S. securities.
- Investors seeking long-term growth of capital.
- Investors with a long-term investment horizon (at least five years).

Who Should Not Invest

- Investors unwilling to accept significant fluctuations in share price.
- Investors seeking significant dividend income.

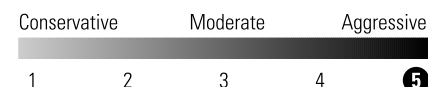
Fund Assets: \$30.1 billion

Expenses: 0.63%*

Ticker Symbol: RERFX

Inception: May 15, 2002

Overall Risk Level:



Investment Objective

American Funds EuroPacific Growth Fund seeks to provide long-term growth of capital.

Investment Strategy

The fund normally invests at least 80% of its assets in securities of issuers located in Europe and the Pacific Basin. In selecting investments for the fund's portfolio, the investment advisor seeks reasonably priced securities considered to be good long-term investment opportunities. This is accomplished not only through fundamental analysis, but also by meeting with company executives and employees, suppliers, customers, and competitors in order to gain in-depth knowledge of a company's true value.

See reverse side for Fund Profile.

Total Returns for Periods Ended September 30, 2003**

	Year to Date	1 Year	Since Inception
American Funds EuroPacific Growth Fund	16.68%	25.98%	-1.09%
MSCI EAFE Index***	18.37%	26.01%	—

*For most recent fiscal year.

**Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns.

***Morgan Stanley Capital International Europe, Australasia, Far East Index, an unmanaged measure of stock market performance.

American Funds

EuroPacific Growth Fund

Class R-5

Fund Profile

As of September 30, 2003

Regional Allocation

1. Europe	46.5%
2. Asia & Pacific Basin	33.0
3. Other (incl. Canada & Latin America)	12.1

Largest Stock Holdings*

1. AstraZeneca
2. Vodafone
3. Nestlé
4. Unilever
5. Cia Vale do Rio Doce
6. Koninklijke Ahold
7. Samsung Electronics
8. KPN
9. Telefónica
10. ING Groep

Top Ten as % of Total Net Assets 16.4%

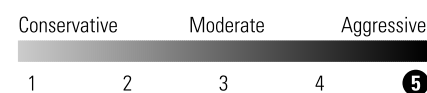
*Fund holdings are subject to change.

A Few Words About Risk

When investing in stock funds, short-term losses (or gains) are common, largely as a result of sudden movements in stock prices as views change about the economy and individual companies. However, over extended periods the market's ups have tended to outweigh its downs. There is no guarantee this will continue. Usually, the longer you hold your investment, the lower your chances of losing money.

International investments are also influenced by other factors. For instance, changes in the relative values of currencies—whether the U.S. dollar, the British pound, or the Japanese yen—will either add to or subtract from the returns earned by U.S. investors in international markets.

Overall Risk Level:



One simple rule to remember: When the U.S. dollar falls in value, international returns to U.S. investors increase, and when the U.S. dollar rises in value, international returns to U.S. investors decline.

Another thing to keep in mind is that investing internationally increases the chance that an investment may decline because of political or economic changes in foreign countries.

Given these added risks, most investors should limit their international investments to no more than 20% of their overall savings.

Investment Terms

Dividends: Payments made by companies to investors in their stock. The payments typically depend on economic conditions and the company's financial health.

Expenses: The costs of running a fund, expressed as a percentage of the fund's assets. For example, a fund may have expenses that total 0.30% (less than half of 1%) of its assets.

Market Risk: The chance that the value of an investment will change because of rising (or falling) stock or bond prices.

Mutual Fund: An investment company that combines the money of thousands of people and invests it in a number of securities (stocks, bonds, short-term reserves) to achieve a specific objective over time.

Total Return: The change in the value of an investment, plus any income from interest or dividends. The standard measure of a mutual fund's performance.

All performance and expense ratio data provided by Lipper Inc. All other data is provided by Morningstar, Inc.

All marks are the exclusive property of their respective owners.

Performance figures include the reinvestment of all dividends and any capital gains distribution. All returns are net of expenses. Return figures reflect past performance, which is no guarantee of future results. The investment return and principal value will fluctuate. An investor's shares, when redeemed, may be worth more or less than the original cost.

All funds are offered by prospectus only. Prospectuses contain more complete information on risks, advisory fees, distribution charges, and other expenses and should be read carefully before you invest or send money. Prospectuses can be obtained directly from The Vanguard Group, P.O. Box 2900, Valley Forge, PA 19482-2900, or by calling 1-800-523-1188.

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